PORT
AUTHORITY
NY NJ
AIR LAND RAIL SEA

September 4, 2024

Chairman Jessica Rosenworcel
Commissioner Brendan Carr
Commissioner Geoffrey Starks
Commissioner Nathan Simington
Commissioner Anna Gomez
Federal Communications Commission
45 L Street NE
Washington, DC 20554

RE: Wireless Telecommunications Bureau and Office of Engineering and Technology Seek Comment on NextNav Petition for Rulemaking – WT Docket No. WT Docket No. 24-240; RM-11989

Dear Chairman and Commissioners:

I am writing to you today in opposition of the petition for rulemaking of NextNav Inc. filed on April 16, 2024. The NextNav proposal would negatively impact the Port Authority's ability to continue to rely on transponders for electronic collection and would increase the possibility of interference with transponder reads resulting in an inability to create or properly assign transactions. The current proposal puts all toll revenues at risk and therefore, I strongly recommend that the Commission deny the NextNav petition for rulemaking.

Background

The Port Authority of New York and New Jersey (the "Authority") was created in 1921 by federal compact as a bi-state agency engaged in the operation and maintenance of interstate transportation systems, including bridges and tunnels, aviation properties, port facilities in both New York and New Jersey, as well as the PATH mass transit system, bus terminal facilities, and the iconic World Trade Center complex.

As part of the federal compact which created the Port Authority, the Authority receives funding only from user fees, including monies collected in the form of tolls at our bridge and tunnel facilities. It is critical to note that neither New York or New Jersey provide any direct or indirect tax support for the operations of the Authority facilities. The Port Authority raises funds necessary for the improvement, construction, or acquisition of its facilities, primarily based on its own credit and has no power to pledge the credit of either state or any municipality, or to levy taxes or assessments. In 2023, the Authority collected approximately \$1.9 billion in toll revenue from approximately 122 million toll transactions. These revenues represent about 30% of the total revenues collected by the Authority. These revenues are reinvested in the Authority and support ongoing operations, maintenance and pay for important capital improvements. As such, protection of this revenue stream and assurance of revenue collection are critical tenants of the Port Authority.

The Authority uses electronic tolling for the collection of tolls and fees and relies on radio frequency identification (RFID) antennas to facilitate system transactions. We currently have seven tolling points at the Holland and Lincoln Tunnels, and the Goethals, Bayonne, Outerbridge Crossing and George Washington Bridges which require 25 readers and over 50 antennas. In addition to our crossings, the Authority also uses toll transponders to collect parking fees at Newark Liberty, LaGuardia, Stewart and JFK Airports. The NextNav proposal would jeopardize these revenue streams, which have already been pledged to support the bonds the Port Authority uses to fund its activities. These toll transponders are also used to provide critical travel time data for our facilities, and the NextNav proposal would impair our ability to inform our operation of these key transportation links in the New York-New Jersey metropolitan area.

History of All-Electronic Tolling at the Port Authority

The Port Authority was one of seven original members of the E-ZPass group, a multi-state consortium of authorities that created one of the world's most well-known regionally compatible, non-interfering electronic tolling systems which maintained the traffic management needs of the participating agencies and provided regional mobility and convenience to their customers. The Authority applied for, and received an FCC license to operate on the 900MHz spectrum at the time E-ZPass was originally implemented. In 2023, the last of Port Authority's cash collection operations were decommissioned, and today the Authority relies solely on transponder reads and image review to toll customers at our facilities (known as all-electronic tolling, or AET). In 2023, the Authority had 1.6 million active transponders on the road which represented 680,000 active Port Authority E-ZPass accounts. Approximately 80% of our transactions are collected immediately from customers with a transponder. An additional 10% are image transactions which can be associated with an E-ZPass account. We can successfully identify and bill another 8% based on captured license plate images. The Authority's total leakage (lost revenue from transaction processing errors) was less than 2% in 2023. Beyond the high reliability for toll collection, the switch to AET has resulted in reduced congestion and idling, which subsequently lowered emissions from vehicles using our facilities with fewer start/stop conditions. Further, the elimination of cash collection allows for the removal of the physical toll booths and their associated power demands. Implementation of AET has resulted in large improvements to safety at toll plazas by reducing speed fluctuations and weaving with a 59% reduction in vehicular crashes at Authority crossings since converting to AET.

Impacts of NexNav proposal

The NextNav proposal would limit all tolling authorities to a lower and narrow band of the current spectrum. This restriction would significantly increase the likelihood of interference with current toll systems and equipment, putting the onus on government agencies to invest billions of dollars to resolve that interference and generate revenues for NextNav that would not be used to mitigate any of these impacts.

The NextNav petition would degrade performance for existing toll systems including increased interference which results in revenue leakage (lost revenue from unassignable transactions and missed transponder reads) and creating a negative customer experience.

Toll system stability would be threatened by operating at the lower range of the spectrum, where there is a potential for reduced system operability and a lower rate of data transfer, resulting in fewer transponder reads and reduced revenue. There is also a possibility of interference due to lack of buffer between NextNav bands and tolling bands, also negatively affecting the rate of transponder reads.

In addition to creating these seemingly insurmountable operational challenges, the NextNav petition jeopardizes over a decade of inter-agency planning and coordination and significant investment in infrastructure to establish national interoperability across the toll industry as mandated by the Federal government (MAP-21) by forcing a diversion of limited resources toward the complex task of adopting a new frequency spectrum.

Under the NextNav proposal, if interference occurs at an existing toll plaza and the Authority has exhausted all available frequencies, the last resort for mitigation for toll collection in the 900 MHz band would be the relocation of the toll plaza. However, relocating the toll plaza presents a series of unrealistic regional-scale logistical challenges. The Port Authority cannot simply move the George Washington Bridge, or change the configuration of I-95, the Cross Bronx Expressway, and other federal and state highways to address this issue. As a toll authority that operates bridge and tunnel facilities in a highly constrained urban environment, the NextNav proposed approach to resolving interference is an unworkable solution that would create needless operational and financial chaos for the Authority, our host communities, and the citizens of New York and New Jersey.

Beyond all these issues, the impact of NextNav's proposal to operate powerful 5G transmitters in the 900 MHz band is completely speculative and has not been comprehensively tested. During a recent meeting hosted by the International Bridge, Tunnel, and Turnpike Association (IBTTA), NextNav stated they had performed some preliminary testing with the TDM protocol (the primary protocol used by the E-ZPass group) which includes the Port Authority in its membership). However, NextNav did not share any information on who performed the test, its methodology, or any detailed results. NextNav has not been transparent with the findings of their technical analysis, nor have they worked to address the impacts of their proposal on revenue for tolling authorities.

Cost considerations

The Port Authority has invested over $460 million in its current toll system and has invested an additional $16 -17 million spent on transponders and associated equipment currently in active use by our customers. The idea that the Authority would be required to potentially change all equipment associated with that system, and pay additional money to reprogram, test and debug the system as a result, simply to accommodate a private entity's profit goals is unreasonable.

The Port Authority has invested in expanding our use of the available spectrum by accommodating all three standard tolling protocols (TDM, 6C, & SeGo) to meet the federal requirements for national interoperability. NextNav does not acknowledge that a move to another part of the spectrum would require multi-year, multi-phase comprehensive testing, coordination across tolling authorities and a further investment that could approach the investment already made by the Authority in its system.

Finally, one of the critical customer benefits of the current tolling transponder equipment is the high level of system reliability owing to operation in the 900MHz spectrum. Customers expect that missed reads and/or lost transactions are the exception and not the rule in tolling. Our customers rely on our system; a poorly thought-out policy change would forever erode the trust that the Authority has developed over twenty-five plus years of electronic tolling operations. This trust is invaluable, and its cost is immeasurable.

For these reasons I ask that you deny the NextNav petition for Rulemaking.

Sincerely,

Robin Bramwell-Stewart
Deputy Director
Tunnels, Bridges & Terminals Department